

EXHIBIT 2

IT Management

ePlus Wins \$37 Million Patent Infringement Suit Against Ariba

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The settlement also awards ePlus the rights to cross-license Ariba's software patents—including pending patents—for the next three years.

Spend management software developer ePlus Inc., of Herndon, Va., on Monday announced that it has been awarded a \$37 million settlement in a patent infringement suit against rival Ariba Inc.

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The settlement, awarded by a Federal Court jury in Alexandria, Va., also awards ePlus the rights to cross-license Aribas software patents—including pending patents—for the next three years.

The court determined Ariba "willfully infringed" three ePlus software patents relating to electronic procurement technology, according to a statement released by ePlus.

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Ariba officials were not available for comment.

The technology in question, seemingly ubiquitous throughout any electronic procurement software, lets users perform a number of essential e-procurement functions including: electronic searches, selections and comparisons; viewing items in multiple supplier catalogs; finding equivalent items and replacements; generating purchase orders from multiple vendors; and electronically checking inventory.

Ariba, of Sunnyvale, Calif., is ordered to pay the \$37 million in three installments, the balance of which is due by March 31, 2005. The deal does allow Ariba to continue selling its procurement software, enabled by the patented technology, under a license arrangement with ePlus. However, any late payments by Ariba would result in a revocation of the license agreement, according to ePlus.

ePlus initially filed a patent infringement suit against Ariba in spring 2004.

Ironically, Aribas one-time archrival in the electronic procurement sector, Commerce One Inc., also had a recent patent skirmish of sorts. On Dec. 8, 2004, the company held a controversial fire sale in San Francisco where it auctioned off 39 Web services patents for \$15.5 million.

The patents, acquired by JGR Acquisition Inc., were a hot-ticket item not only because of the XML Web services technology they encompassed, but because of what the new owners could potentially do with the patent rights. The fear of some major companies using Web services is that a new owner could essentially go door-to-door to "shake down" any companies that operate in Web services, demanding some sort of payment in lieu of a patent infringement suit, according to patent attorney Jason Schultz, with technology activist company Electronic Frontier Organization.

Schultz worked with IT consortium CommerceNet—along with software heavyweights Oracle Corp., Google Inc., Sun Microsystems Inc. and about a dozen other companies—to hatch a plan to acquire the Commerce One patents and, theoretically, retire them. That plan never got off the ground.

Little, if anything, is known about JGR—a company that was formed to acquire the patents—and who financed the acquisition of Commerce Ones technology. Securities and Exchange Commission filings will be available on JGR one year after the purchase date, according to the SEC.



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